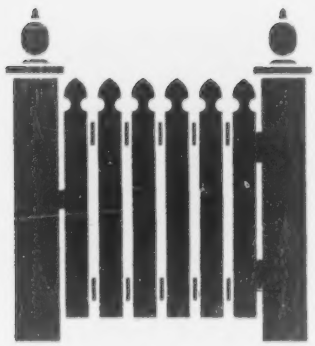
Harris-Equifax Consumer Privacy Survey 1991



Conducted for

EQUIFAX
The Information Source

by

Louis Harris and Associates
in association with
Dr. Alan F. Westin
Columbia University

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A national opinion survey conducted
for Equifax Inc. by Louis Harris & Associates and
Dr. Alan F. Westin, professor of public law and
government, Columbia University

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A MESSAGE FROM EQUIFAX

When our landmark survey, **The Equifax Report on Consumers in the Information Age,** was published in June 1990, we stated that our company recognized its responsibility for giving careful attention to the data and addressing them seriously and consistently in our daily business practices. We also pledged publicly to fulfill that responsibility by seeking to maintain the delicate balance between the legitimate information needs of business and consumers' concerns about privacy.

Looking back over the past year, we at Equifax are proud that our contribution to the national dialogue has been so widely accepted and referenced.

We all learned a great deal from that major public opinion survey — so much, in fact, that we have committed to an annual survey to track consumer concerns and new developments in the privacy arena as well as updating some of the data from the 1990 survey.

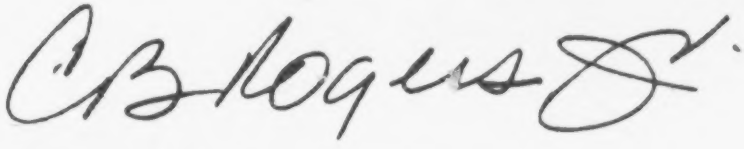
As we release these new 1991 data, there are several key points that I am particularly pleased to make about the consumer and privacy initiatives Equifax continues to undertake:

- PRIVACY AUDITS: In 1989, we commissioned Dr. Alan Westin, the nation's foremost authority on privacy, to conduct audits of Equifax products and services. These internal audits continue and are being used as a means to determine our adherence to fair information practices.
- OFFICE OF CONSUMER AFFAIRS: In 1990, Equifax established the Office of Consumer Affairs to act as an ombudsman for consumers at the company's corporate headquarters in Atlanta.
- LOTUS MARKETPLACE: HOUSEHOLDS: We worked for two years building privacy protection measures into this CD-ROM marketing database. Our unsuccessful efforts to educate consumers and the media about the product coupled with our realization that consumers perceived the product as a serious privacy concern caused Equifax and Lotus to make the socially responsible decision to stop development of the product.
- PRIVACY DIALOGUE: Equifax has placed increased emphasis on establishing and maintaining face-to-face discussion with our critics, various other experts, and influential organizations representing consumer issues and privacy. Of particular note, in 1991, John Baker, Equifax Senior Vice President and John Ford, Assistant Vice President, Equifax Corporate Public Affairs, were the only representatives from the consumer reporting industry on the program at the First Conference on Computers, Freedom and Privacy. Applauded for our willingness to participate in the privacy debate, Equifax is committed to continuing the dialogue and achieving resolution of these important issues.
- EQUIFAX PRESENTS TESTIMONY AT SEVERAL CONGRESSIONAL HEARINGS: In April 1991, John Baker, Equifax Senior Vice President, testified before a congressional committee addressing the issue of "Public and Corporate Attitudes on Privacy." The hearings were to consider the creation of a national data protection board.

  In June 1991 and twice in October 1991, Mr. Baker again presented testimony to congressional committees considering modifications to the 1970 Fair Credit Reporting Act. Equifax continues to work closely with members of Congress in seeking ways to balance business needs and consumer privacy concerns. We also offered testimony to assist the House Committee on Postal Operations in an oversight hearing about the use of mailing lists.

- ACCURACY ENHANCEMENTS: We look at the accuracy issue as a three-way partnership among consumers, credit grantors, and us. Equifax has a vested interest in the accuracy of our consumer reports. To that end, we have invested millions of dollars in new, highly advanced matching logic and data search software. Begun in early 1990, this initiative came on line in May 1991 with the objective of returning 100% of the data 100% of the time with 100% accuracy.
- EQUIFAX STOPS SELLING CREDIT-BASED DIRECT MARKETING LISTS: In August 1991, Equifax announced its decision to stop selling direct marketing lists derived from the credit database, in deference to consumer concerns about this use of personal information. This action has been applauded as a major step in balancing business needs and consumer privacy, and as another mark of a socially responsible business leader.
- EQUIFAX INFORMATION SERVICE CENTER: Equifax will continue to act in a leadership manner to fulfill its responsibilities as a steward of consumer information. This commitment is nowhere more evident than in the Equifax Information Service Center, providing consumers with unprecedented, toll-free assistance and access to world-class credit reporting services 24 hours a day, seven days a week.

The coming year — 1992 — will provide more challenges and more opportunities for dialogue among those businesses, government agencies, and privacy and consumer groups who are committed to addressing and resolving privacy issues. As a willing and serious participant in that process, we believe that tracking consumer concerns on these important privacy issues is vital to the national debate and thus to problem resolution. It is with that knowledge that we present the 1991 Harris-Equifax Consumer Privacy Survey data and reaffirm our pledge to continue our survey efforts in 1992.



C. B. Rogers, Jr.
President and CEO

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INTRODUCTION

The "Harris-Equifax Consumer Privacy Survey" is designed to provide those interested in the consumer privacy issue with a regular measurement of changing public attitudes and concerns as well as an annual exploration of new and topical consumer privacy issues.

In 1990, Equifax released a major Louis Harris and Associates report on public and leadership attitudes on a broad range of privacy issues, titled **The Equifax Report On Consumers in the Information Age.** Equifax then decided to sponsor a series of annual survey updates of which this is the first. The 1991 survey includes a number of questions which were asked in the 1990 Equifax study and on earlier Harris surveys as well as questions asked here for the first time.

The Consumer Privacy Baseline: Key Findings From The 1990 Survey

To provide background to the 1991 survey, we present here a brief summary of key findings related to consumer-privacy issues from the 1990 **Equifax Report On Consumers In the Information Age:**

1. **The American public expresses widespread concern with threats to personal privacy in America today.** Nearly four Americans in five (79%) express general concern about threats to personal privacy in America today, with 46% of those surveyed saying they are "very concerned."

2. **In their responses to an index developed by Dr. Alan F. Westin which measures attitudes toward technology and the institutions of business and government, Americans show themselves to be increasingly distrustful of government and technology, with small minorities also distrustful of business and voting.** Respondents highest in distrust are also highest in their concerns over privacy and their desire for stronger privacy-protection policies. However, in response to a question about the level of trust in the way companies and government agencies use information, consumers generally regarded government agencies as more responsible.

3. **Americans express growing concern over having to reveal personal information.** Three in ten Americans in 1990, compared with only 14% in 1978, decided not to apply for a job, credit, or insurance because they did not want to provide certain kinds of information about themselves. Americans in greater numbers (42%, compared to the three in ten cited above) have refused to give information to a business or company because they thought the information was either too personal or not really needed.

4. **The American people regard privacy as a fundamental right and are not satisfied with the way some organizations currently collect and use information about individuals.** By an overwhelming 79-19% margin, Americans agree that: "If we rewrote the Declaration of Independence today, we would probably add privacy to the list of life, liberty, and the pursuit of happiness' as a fundamental right." More than half the American people believe that (1) consumers being asked by businesses to provide excessively personal information (57%) and (2) inaccuracy and mistakes in information collected about individuals (54%) are major problems.

5. **Despite the concern expressed over having to reveal personal information, Americans admit they would be upset if they were denied the opportunities which are made possible only through the collection and use of personal information.** More than three

out of four Americans (78%) say they would be upset if they could not obtain credit based upon their record of paying bills. Nearly half of the public says it would upset them if they could not use a credit card to buy goods or pay for services (44%), or could not receive at-home mail offers or catalogs geared to their interests (39%).

6. **Americans believe institutions which make loans and grant credit should have the right to check into the credit history of applicants.** An overwhelming majority (94%) know they have the legal right to learn what information is contained in their credit report. While relatively few Americans have ever disputed an item in their credit report, many people denied credit feel they have been denied credit unjustly.

7. **Consumer attitudes about direct marketers' use of information about individual consumers depend on how Americans perceive their relationship with direct marketers.** When consumers are made aware of various protective measures that are currently used or could be applied by list-making companies, and of the benefits consumers could enjoy, very large majorities of the public (88%) approve direct marketers' use of information about individual consumers.

Methodology

The current survey is based on interviews conducted with a cross section of the American public on July 1-8, 1991. In total, 1,255 telephone interviews were completed. The survey used the normal Harris sampling methods, designed to provide a representative sample of adults in telephone households in the 48 continental United States. The sample makes use of random digit dialing procedures which assure appropriate coverage of listed and unlisted households. The sample is also explicitly designed to assure proper representation of households in cities, suburbs and rural areas.

To make the sample as representative of the entire adult population as possible, the data were weighted to the Census Bureau's population parameters on education, sex, race and age.

Louis Harris and Associates worked closely with Dr. Alan F. Westin, Professor of Public Law and Government, Columbia University, in the selection of issues to be addressed and in the wording of the questions. In addition, Dr. Westin would like to acknowledge the help of a variety of experts and organizational leaders interested in the privacy issue: Robert Belair, Mary Culnan, David Flaherty, Oscar Gandy, Linda Golodner, Peggy Haney, Lance Hoffman, David Linowes, Eli Noam, and Robert Ellis Smith.

A Note On Reading The Tables

An asterisk (*) in a table signifies a value of less than one-half percent (0.5%). A dash (-) represents a value of zero. Percentages may not always add up to 100% because of computer rounding, multiple answers from respondents, or the elimination of no answers.

EXECUTIVE SUMMARY

1. **The level of public concern about threats to privacy remains high — at 79%.** This is identical to the level recorded in the 1990 Harris survey for Equifax, and slightly higher than the 1983 survey (77%). Concern is, however, at a considerably higher level than it was in 1978 (64%).

2. **Three-quarters of the public do not feel that they have ever been the victims of improper invasions of privacy.** However, the 25% who believe they have been victims of invasions of privacy is significantly higher than the 19% who felt this way 13 years earlier in 1978. Respondents named many different types of organizations as responsible for invading their privacy. The most common were the police (19%), marketing research surveys or polls (10%), neighbors and other individuals (9%), credit bureaus (9%) and the federal government (7%). (Question not asked in 1990 survey).

3. **Most people — 71% — believe that consumers have lost all control over how personal information about them is circulated and used by companies.** This is identical to the level recorded in the 1990 Harris survey for Equifax.

4. **A majority of the public now believes that their privacy rights as consumers in credit reporting are not adequately protected by law and business practice.** A 58%-37% majority feel this way, compared to a more modest 51%-46% majority in 1990.

5. The 58% majority of the public who believes that their privacy rights in credit reporting are not adequately protected today were presented with three alternative approaches to greater **privacy protection in the future**. They give about equal support to all three. In other words, **there is absolutely no consensus as to which is the best approach**. A very modest plurality (34%) thinks that the answer lies with improved business practice, but the remainder are equally divided between those who favor new legislation and those who would like to see some kind of government committee or board to oversee national privacy rights.

6. **The numbers of people who see either telephone calls or direct mail as invasions of privacy are far lower than those who think of them as a nuisance.** The public is somewhat divided in its attitudes toward mail solicitations, although a plurality (46%) thinks of them more as a nuisance than anything else. Attitudes toward telephone solicitations at home are much more negative, with the privacy aspect more widely noted. A 55% majority sees these as a nuisance and an additional 27% thinks of them as an invasion of privacy.

7. **Almost half of all Americans say that they have bought something by mail order in the previous twelve months.** Such purchases are broadly correlated with educational level — the higher the formal education, the greater use of mail-order services.

8. **More than two-fifths of the population (44%) claim that they are aware of procedures to remove names from direct mail lists. A substantial majority of Americans would like to have their names removed from some direct mail lists. However, only about a fifth (22%) of adults would like to have their names removed from all lists.**

9. **Reactions to the idea that one could "opt out" of having one's name passed to other companies for use in direct mail are extremely positive.** Only 11% say that this idea is not of any importance to them. A clear, but not massive majority (56%) says that this opportunity to opt out would be very important.

10. **One American in every five says that they have been denied credit in the past two years because of information in their credit reports.** Those who are most generally concerned about privacy are also those most likely to report this.

11. **More than three out of every five Americans (62%) have either a great deal of confidence or some confidence in the information which is used to decide whether to offer them credit.** On the other hand, a sizable 28% have not much or no confidence (8% say they have never applied for credit).

12. **Most Americans say that they would not be interested in obtaining complete copies of their credit reports at a reasonable price.** However, 16% of all adults say they would be very interested, and this represents almost 30 million adults.

13. **Public attitudes toward credit bureaus or consumer reporting agencies collecting relevant personal information about themselves in various situations are very mixed.** Modest majorities say that they would be at least somewhat willing to have these services collect relevant information and have used it to determine their eligibility for a mortgage, an auto loan, or a credit card. On the other hand, modest majorities say they would not be very willing or not willing at all to have relevant information collected by these agencies and used to determine their eligibility for a job or an insurance policy.

    The answers to this question were used to divide the public into three groups: those with a high, medium or low willingness to have relevant information collected and used. A clear majority falls in the low-willingness category. Remarkably few differences exist between different sub-groups of the population in terms of their willingness to provide information, whether by age, education or race and ethnicity. However, people under thirty and black and Hispanic Americans are more willing to provide information than is the rest of the population.

14. **The public is almost equally divided over willingness to provide Social Security numbers directly to a business they deal with to increase the accuracy of credit records.** A 52% majority say they would be at least somewhat willing to do this, compared to 47% who say they would be not very or not at all willing to do so.

    In his analysis of the survey data Professor Westin made the following points:

    1. A fresh analysis of the 1990 Harris-Equifax Privacy Survey data shows that the American public divides into three continuing groupings on issues of information privacy involving government, business, and personal morality. These are the Fundamentalists (25%), the Unconcerned (15%) and the Pragmatists (57%).

    2. These groupings create what can be called the current "privacy dynamic." When the Pragmatists decide that organizations using personal data are following adequate principles of fair information practices, they join the Unconcerned, to make up 70-75% level majorities accepting such organizational policies and rejecting the need for additional regulation. However, if the Pragmatists feel that proper fair information practices are not being instituted voluntarily, they join the Fundamentalists, to make up 75-80% level majorities favoring new laws or regulations.

    3. The 1991 survey, which concentrated on consumer privacy issues, found that High Concern over consumer privacy had risen 5% in only one year, based on comparing identical questions in 1990 and 1991 for an index of Consumer Privacy Concern. This rise may reflect the extensive media coverage of privacy, accuracy, and consumer-responsiveness issues involving credit bureaus and direct marketers, and well-publicized congressional hearings on these issues during late 1990 and in 1991.

4. Differences in age proved to be consistently significant on both the 1990 and 1991 surveys. Young adults (18-29) are the most pragmatic and accepting of business uses of consumer data; mid-life Americans (30-49), though highly concerned in general terms, are middle-of-the-road on most specific consumer privacy issues; and older Americans (50 and over) are the most concerned about consumer privacy today.

5. Senior citizens — 65 and older — are the age segment least willing to see credit bureaus collect even relevant information for deciding about loans, credit, insurance, and employment, and are also the least willing to provide their Social Security numbers to businesses they deal with, even to improve the accuracy of credit reports.

ANALYSIS BY PROFESSOR ALAN F. WESTIN

To help put the 1991 survey results into perspective, we need to return to two themes developed in the larger Equifax privacy study of 1990. These are (1) the division of the American public into three basic groups in approaching issues of personal privacy, and (2) the "privacy dynamic" by which the public seems to be making up its mind about information-and privacy issues in the early 90s.

The American Public and Information Privacy: Three Fundamental Outlooks

In addition to analyzing answers to individual questions and noting differences among major sub-groups of the public (by age, education, sex, etc.), another valuable technique of survey analysis is to combine answers to a set of questions and create an index that identifies factors that underlie the public's attitudes on a particular topic.

Creating an Index of General Concern About Privacy

We created such an index from the 1990 data, which we call General Concern About Privacy. This was based on each survey respondent's answer to four questions:

- whether they are **very** concerned about threats to their personal privacy today;
- whether they agree **strongly** that business organizations seek excessively personal information from consumers;
- whether they agree **strongly** that the Federal government since Watergate is still invading the citizen's privacy; and
- whether they agree that consumers have lost all control over circulation of their information.

Combining each respondent's answers to these questions, we divided the public into three categories:

- High: 3-4 privacy-concerned answers.
- Moderate: 2 privacy-concerned answers.
- Low: 1 or no privacy-concerned answer.

We then compared the index of General Concern About Privacy with responses to all the other specific questions on the 1990 survey dealing with the privacy issues, covering both business and government arenas. In a majority of these, the index worked as a direct predictor — people in the High General Concern About Privacy group were the most concerned about privacy interests on specific questions; people in the Moderate Concern group were next in their privacy concern; and people in the Low Concern group were the lowest in privacy concern.

Based on this analysis, the American public today divides into three groupings on issues of information privacy — Privacy Fundamentalists, the Unconcerned, and Pragmatists.

1. **The Privacy Fundamentalists, 25%**
   Fundamentalists are generally distrustful of organizations that ask for their personal information, worried about the accuracy of computerized information and additional uses made of it, and in favor of new laws and regulatory actions to spell out privacy rights and

provide enforceable remedies. They generally choose privacy controls over consumer-service benefits when these compete with each other. About 25% of the public are privacy Fundamentalists, representing 46 million adults.

2. **The Unconcerned, 18%**
   The Unconcerned are generally trustful of organizations collecting their personal information, comfortable with existing organizational procedures and uses, ready to forego privacy claims to secure consumer-service benefits or public-order values, and not in favor of the enactment of new privacy laws or regulations. About 18% or 33 million adults fall into the Unconcerned category.

3. **The Pragmatic Majority, 57%**
   The majority of the public — 57% and 105 million adults — are Pragmatists, and they exhibit the following perspectives in deciding about information privacy issues. They weigh the benefits to them of various consumer opportunities and services, protections of public safety, or enforcement of personal morality against the degree of intrusiveness of the personal information sought and the increase in government power involved. They look to see what practical procedures for accuracy, challenge, and correction of errors the business organization or government agency follows when consumer or citizen evaluations are involved. They believe that business organizations or government should "earn" the public's trust rather than assume automatically that they have it. And, where consumer matters are involved, they want the opportunity to decide whether to opt out of even non-evaluative uses of their personal information, as in compilations of mailing lists.

   Applying these attitudes, the 1990 survey data show Pragmatists adopting varying positions on privacy according to their perception of whether fair information practices are being followed in any business practice or government operation involving their personal data.

The Current "Privacy Dynamic"

The value of this threefold division of the public is that it also identifies what we call the current "privacy dynamic," and the key role of the Pragmatists in the way the public seems to be making up its mind about consumer privacy issues.

When the 57% of the public who are Pragmatists decide that businesses are not voluntarily adopting fair information practices that meet legitimate consumer privacy expectations, and those measures are seen as reasonable in cost (in the Pragmatist's mind), then Pragmatists will join the Fundamentalists to support regulations to mandate privacy rights or ban particular uses of consumer information. This would result in 75-80% level majorities for regulatory action.

However, if Pragmatists conclude that personal information is being properly collected and used, and if basic fair information practices are being observed, they will join with the Unconcerned in believing that organizational rules and practices are sufficient and government regulation is unnecessary. This would produce 70-75% level majorities opposing regulatory action.

In short, the 1990 survey showed that the battle over consumer privacy rules in the 1990s will essentially be a battle for the minds and hearts of the pragmatic public majority, in defining what fair information practices the pragmatic majority feels to be called for today, and how best to see that these practices are instituted and observed.

We can turn now to analyze some of the trends revealed by the "1991 Harris-Equifax Consumer Privacy Survey."

In 1991 Concern About Consumer Privacy Issues Registered A Significant Increase Over 1990

The 1990 and 1991 surveys asked two identical questions about privacy issues involving business use of personal information, and these were combined to create another index, which we call Consumer Privacy Concern.

The Consumer Privacy Concern Index

The first question (4a1) asked respondents whether they agreed or disagreed that "Consumers have lost all control over how personal information about them is circulated and used by companies," and the responses agreeing were used for the index. The second question (4a2) asked for agreement or disagreement that "My privacy rights in credit reporting are adequately protected today by law and business practice," and responses disagreeing were selected for the index.

If a person did not take the privacy-oriented position on either of the two statements, we scored them as Low in Consumer Privacy Concern. If they took one of the two pro-privacy views, we considered them to have Moderate concern. And, if they took the strongest privacy-oriented position on both of the statements, we considered them to have High concern. We tested the power of the index by looking to see whether those who scored highest on this index were the most privacy-oriented in answering most of the other attitude and policy questions on the 1991 survey, whether those scoring lowest on the index were the least concerned with privacy on those questions, and the Moderates were in the middle. This proved to be the case.

The division of the public on our Consumer Privacy Concern index for 1991 and 1990 was as follows:

Table 1

CONSUMER PRIVACY CONCERNS COMPARED, 1991 AND 1990

Index of Concern	1991	1990
High	46%	41%
Moderate	36%	39%
Low	17%	20%

Looking at the results in Table 1, two conclusions about public attitudes in 1991 seem warranted.

First, a rise of 5% in only one year's time in the High group — those strongly concerned about consumer privacy — is worth noting. In policy terms, it suggests that heavy media coverage of protests against unconsented-to business use of personal information for direct marketing and widely-carried reports of consumer-group challenges to the accuracy levels of credit reports may be increasing the strongly-concerned orientation toward consumer privacy issues to near the majority level.

Second, analysis of the demographic aspects of the Consumer Privacy Concern index reveals a useful profile of those most strongly concerned within the High group. They are the college educated; more liberal than conservative in political philosophy; more likely to say they

have been denied credit within the past two years and to believe they have been a victim of an invasion of privacy; and the most interested in having the opportunity to opt out of uses of their name and characteristics for direct mail purposes they do not approve.

We plan to use this index on future Harris-Equifax Consumer Privacy Surveys, to track rises and falls in overall public Consumer Privacy Concern as voluntary business policies and regulatory actions unfold in the 90s.

Age Differences in Public Attitudes Toward Consumer Privacy

In looking at the demographic categories into which the public divides, Harris privacy surveys since 1978 show age to be consistently significant in explaining attitudes toward privacy. Analysis of the 1990 and 1991 privacy survey data shows age to be a more consistently significant factor than any other demographic characteristic — race, income, sex, political philosophy, occupation, education, region, type of community, etc.

For example, in the 1990 Equifax survey, one comparison was made by dividing the public into three major age groups — 18-29 (with 25% of the population 18 and over), 30-49 (39% of the adult population), and 50 and over (35% of the adult population). Americans in the 30-49 year group scored the highest in concerns over privacy in general, in their belief that their privacy had been invaded improperly, and in their desire for adoption of stronger privacy regulations. We set out to explore this pattern more deeply in our consumer privacy focus in the 1991 survey.

Age Differences on Privacy Issues Surveyed in 1991

A coherent pattern of age-group differences was confirmed by the answers to the two general questions about privacy and twelve specific consumer privacy issues that we presented in the 1991 survey. This is shown in Table Two:

Table 2

PRIVACY ORIENTATIONS BY THREE AGE GROUPS

	Younger (18-29)	Mid-Life (20-49)	Older (50 & Over)
1. Very concerned about privacy threats	least	middle	most
2. Have ever been a victim of invasion of privacy	middle	most	least
3. Believe consumers have lost all control over use of their personal information	least	most	middle
4. Believe consumer privacy rights not adequately protected today	least	most	middle
5. Believe offers by mail to home invade privacy	least	middle	most
6. Believe telephone marketing calls to home invade privacy	least	middle	most
7. Would remove their name from all mailing lists, if could do so	least	middle	most

8. Believe important to opt out of having name provided for mailing lists	least	most	middle
Not willing to have credit bureau collect and use relevant information for:			
9. Auto loan	least	middle	most
10. Credit card	least	middle	most
11. Home mortgage	middle	least	most
12. Job	least	middle	most
13. Insurance policy	least	middle	most
14. **Not** willing to supply Social Security number to business they deal with	least	middle	most

1. **Young Adults Are The Most Pragmatic About Consumer Privacy**
   These results clearly depict young adults as the least upset over threats to consumer privacy and the most accepting of business uses of personal information under existing rules and practices. They are also the most willing to have consumer reporting agencies collect and use their relevant personal information, even when it involves transactions vital to their self-interest (such as jobs, auto loans, credit cards, etc.). They were never the most concerned about privacy of the three age groups on any of the 14 items listed in Table Two.

2. **Mid-Life Americans Are Middle-of-the-Roaders on Consumer Issues**
   Mid-life Americans are the highest age group in reporting that they have been victims of privacy invasion sometime during their lives; the highest in general concern that consumers have lost all control over use of their personal information and that existing rules and laws are inadequate; the highest in saying that they have been denied credit within the past two years; and the group that most highly favors a procedure to let them decide whether their names are supplied to other businesses for direct marketing.

   However, they are the middle-of-the-road group on nine of the twelve specific questions, such as how strongly they oppose direct marketing and telemarketing as invasions of privacy, and in their willingness to have credit bureaus collect and use relevant information for four of the five consumer transactions we ask about. (They were the least concerned about home mortgages.)

3. **Older Consumers Are the Most Concerned About Consumer Privacy**
   The 1991 survey shows consumers 50 and over to be the most privacy-oriented of the three age groups today on eleven of the twelve specific consumer privacy questions listed in Table Two. They are the most upset about direct mail and telemarketing, the most **unwilling** to see credit bureaus collect and use their personal information for any of the five main types of consumer transactions presented. They are also the most concerned in terms of worrying about general threats to their personal privacy today (item 1).

   Older Americans were in the middle on the two general questions about use and protection of consumer personal information (items 3 and 4). They were only once the least concerned of the three age groups, on the question asking whether they had ever personally been the victim of an invasion of privacy.

Possible Explanations for these Age Differences

Traditionally, experts in public opinion analysis speculate that consistent age differences in political and social attitudes may be caused by the complex interplay of at least three major factors:

1. **Generational Imprinting**
   Major political, economic, social, or cultural events will register in the formative youth and early adulthood period of what is called an age cohort, and these experiences can then carry through life as a central or organizing outlook toward social policy issues. This explanation points to such imprinting experiences for different age groups today as growing up before and during the depression, coming of age during the New Deal and World War II, growing up during Vietnam and Watergate, or reaching adulthood during the Reagan era.

2. **Life Stages**
   As individuals go from school days to retirement years, their needs and interests change, and with these changes, their social attitudes on many life-situation-related issues. Stage by stage, individuals finish their initial education, enter the work force, create a residence and (some) marry and raise a family, reach mid-life in career progress and family development, move into parental empty nest and near retirement, and then enter retirement and senior-citizen status. Each life stage can generate different priorities in consumer affairs.

3. **Experiences with Institutions**
   Individuals accumulate over time feelings about the treatment they have received from various business, government, educational and religious institutions. Such impressions will represent a combination of two aspects — (1) the actual way individuals (and their friends and family) have been treated by organizations and (2) the general attitude of trust or distrust toward institutions that individuals (or their age cohort) acquire from their generational imprinting.

   These factors interact on each generation of Americans as they make their life's passage, with the strength of each factor depending on the type of political or social issue being examined for age-group differences. The fact that formal educational levels are highest among those 25-50 today and much lower among those 50 and over is another factor that can affect social and political attitudes, especially where differences in educational level correlate with knowledge about or attention to particular social policy issues.

Explanations for Young Adult Views

The three main factors just noted seem to explain the differences in age-group profiles found in the 1991 results (and also the 1990 Harris-Equifax privacy study). For example, 18-29 year olds were too young to experience the cultural revolt and civil rights and anti-war protests of the 1960s, nor did they experience the Watergate affair trauma and anti-system backlash of the early to mid-1970s. Instead, their imprinting experiences were the weak Carter presidency, the Reagan-Bush elections, and the shift of majority public attitudes in the 1980s toward greater economic and social conservatism.

Reflecting these imprints, younger adults recorded more overall trust in institutions on our 1990 Confidence In Institutions index than their elders did. Reflecting the link we found between overall trust in institutions and attitudes toward privacy issues, younger people also registered lower overall apprehension about business and government invasions of privacy. They were the age group in both 1990 and 1991 most accepting of the adequacy of present rules and laws protecting consumer privacy rights.

In what probably reflects their life-cycle positions as young workers, young parents, and young consumers, in 1991 18-29 year olds were more interested than their elders in receiving direct mail offers for goods and services, less desirous of taking their names off all mailing lists, and less inclined than elders to view telephone marketing calls to their homes as invading their privacy.

Older Americans — and the Special Views of Seniors

Older Americans — the group most concerned about consumer privacy today -- have some important general characteristics. As our 1990 and 1991 surveys confirmed, they are more conservative in political philosophy than the other two groups today, confounding the notion that strong consumer privacy views are always correlated with liberal political outlooks. While the older age group has much less formal schooling, questions on the 1990 and 1991 survey that asked about awareness of news stories about consumer privacy issues and about procedures for getting one's name off mailing lists showed the 50 and over respondents to be as well informed as younger people with much more college and post-graduate education.

In terms of generational imprint, older consumers — the age group that grew up during the pre-computer age and that is probably the most psychologically upset by the potentialities of a computerized "Big Brother" — were much more in agreement with the statement on our 1990 survey that "technology has almost gotten out of control" than the two younger groups. To the extent that this fear of technology is involved in concerns over exchanges of consumer personal information by computers, this may help explain the older group's very strong concerns about mailing lists.

However, older Americans were also the strongest in believing that "in general, business helps us more than it hurts us." This, along with the more conservative overall political philosophy of older Americans, may explain why those older respondents who said they did not think that present laws and organizational practices adequately protect consumer privacy were two to three times more in favor of improved business practices than they were of new laws or governmental boards as the best approach to enhancing consumer privacy rights.

While we used three age groups for these broad comparisons (18-29, 30-49, and 50 and over), further analysis of the 1991 data shows that there is an important difference **within** the 50 and over age group. If we divide these respondents into those 50-64 and those 65 and over — the latter group generally regarded as America's senior citizens — we find very strong differences between these sub-groups. The seniors — over 65 — are much more strongly opposed than the 50-64 year olds to having credit bureaus collect and use their relevant personal information for the five types of consumer transactions listed, and also to giving their Social Security number to businesses with which they deal, even if this would increase the accuracy of credit reports.

It will be important to examine these age factors in future annual Consumer Privacy Surveys, and to trace how such age differences play out in debates over consumer privacy issues in the 1990's.

FINDINGS AND OBSERVATIONS

Concern With Threats To Privacy

The level of public concern about threats to privacy remains high — at 79%. This is identical to the level of recorded in the 1990 Harris survey for Equifax, and slightly higher than the 1983 survey. Concern is, however, at a considerably higher level than it was in 1978.

Q.1 Table 3

CONCERN WITH THREATS TO PRIVACY

Q.: How concerned are you about threats to your personal privacy in America today — very concerned, somewhat concerned, not very concerned, or not concerned at all?

	1978	1983	1990	1991
Base:	*1511*	*1256*	*2254*	*1255*
Very concerned	31%	48%	46%	48%
Somewhat concerned	33	29	33	31
Not very concerned	17	15	14	12
Not concerned at all	19	7	6	7
Not sure	1	*	1	1

*Less than 0.5%.

Invasion of Privacy

Three-quarters of the public do not feel that they have ever been the victims of improper invasions of privacy. However, the 25% who believe they have been victims of invasions of privacy is significantly higher than the 19% who felt this way 13 years earlier in 1978.

Q.2 Table 4

EVER BEEN VICTIM OF IMPROPER INVASION OF PRIVACY

Q.: Have you personally ever been the victim of what you felt was an improper invasion of privacy, or not?

	1978	1991
Base	*1511*	*1255*
Have been victim	19%	25%
Have not	78	75
Not sure	3	*

*Less than 0.5%.

Many different types of organizations were named by people who felt that their privacy had been invaded, of which the most common were the police (19%), marketing research surveys or polls (10%), neighbors and other individuals (9%), credit bureaus (9%) and the federal

government (7%). While those organizations mentioned should be concerned and take these perceptions very seriously, it is important to note that as percentages of the total public all of these numbers are relatively small. For example, even the police were mentioned by only 5% of the total population (See Table 5).

There are some differences between the perceived violators of privacy in 1978 and those in 1991. It would seem that there is more assumption today of invasions of privacy by the marketing research industry (10% in 1991 vs. 0% in 1978) and by government (13% in 1991 vs. 6% in 1978), but that employers are much less likely to be perceived as invaders of privacy today than they were thirteen years ago (6% in 1991 vs. 16% in 1978).

Observation:

The not insignificant number of people who perceive the marketing research industry and polls as violators of privacy — two-and-a-half times the number who feel intruded upon by direct mailers — should be a matter of great concern to those, who like Harris, are part of that industry.

Q.3 Table 5

TYPES OF ORGANIZATIONS INVOLVED WITH INVASION OF PRIVACY

(Base: Those who report being victims of invasion of privacy)

Q.: What type of organization or authority was involved in this invasion of privacy? What others?

	1978 Percent of Victims of Privacy Invasion	1991 Percent of Victims of Privacy Invasion	1991 Total Sample
	287	*317*	*1255*
Police	19%	19%	5%
Market Research/Poll	N/A	10	3
Neighbors/various people	5	9	2
Credit Bureau	8	9	2
Federal Government	*	7	2
State Government	6	6	2
Employer	16	6	2
Personal gossip/relatives	6	6	2
Salesperson	N/A	6	2
Burglary	2	5	1
Collection Agency	1	4	1
Junk Mail/Mail Order	2	4	1
Church	3	2	*
Door-to-door sales	7	2	*
Hospital	3	2	*
Insurance Company	6	2	*
Telephone Company	N/A	2	*
IRS	4	1	*
Press/Media	N/A	1	*
School	3	*	*
Other Answers	20	21	5
Not Sure	2	8	2

*Less than 0.5%.

Have Consumers Lost Control?

Most people (71%) believe that **consumers have lost all control over how personal information about them is circulated and used by companies**. Only 23% of the public disagrees. In 1990, an identical 71% agreed with this statement, though a slightly higher 27% disagreed.

Are Existing Safeguards And Practices Adequate?

Significantly more people in 1991 now believe that their privacy rights as a consumer in credit reporting are not adequately protected by law and business practice. A 58%-37% majority feels this way, compared to a more modest 51%-46% majority in 1990.

Observation:

It should be noted that there is a difference between the ways in which these questions were asked in the two surveys. In 1991 people were given four choices as opposed to two in 1990. Any change in wording can produce a different result. However, nothing in the literature on research methodology and questionnaire design would suggest that this kind of change would result from dividing the people who agree, or those who disagree, into two smaller categories. It seems reasonable to conclude, therefore, that the change in response to the second of the two questions does reflect a real increase in concern about credit reporting laws and business practices.

Q.4a

Table 6

AGREEMENT WITH TWO STATEMENTS ABOUT PRIVACY

Q.: Consumers have lost all control over how personal information about them is circulated and used by companies.

	1990	1991
Base	*2254*	*1255*
Agree very strongly	71%	37%
Agree somewhat strongly		34
Disagree somewhat strongly	27	20
Disagree very strongly		3
Neither/Not sure	3	4

Q.: My privacy rights as a consumer in credit reporting are adequately protected today by law and business practices.

1990	1991	
Base	*2254*	*1255*
Agree very strongly	46%	10%
Agree somewhat strongly		27
Disagree somewhat strongly	51	29
Disagree very strongly		29
Neither/Not sure	3	4

Note: The 1990 figures report the percentage who answered "agree" and the percentage who answered "disagree."

Best Approach To Greater Privacy Protection

The 58% majority of the public who believe that their privacy rights in credit reporting are not adequately protected today were presented with three alternative approaches to greater privacy protection in the future. They give about equal support to all three. In other words, there is no consensus as to which is the best approach. A modest plurality (34%) think that the answer lies with improved business practice, but the remainder are equally divided between those who favor new legislation and those who would like to see some kind of government committee or board to oversee national privacy rights.

Q.4b Table 7

BEST APPROACH TO GREATER PRIVACY PROTECTION

(Base: Those who disagree that their privacy rights in credit reporting are adequately protected – 58%)

Q.: Which of the following do you feel is the best approach to greater protection?

	Total
Base	*749*
A new law	29%
Improved business practice	34
National privacy requirements by government overview committee or board	29
None of these	4
Not sure	4

Attitudes Toward Mail Offers And Telephone Calls

The numbers of people who think of either telephone calls or direct mail as invasions of privacy are far lower than those who think of them as a nuisance.

The public is somewhat divided in its attitudes toward mail solicitations: a plurality (46%) thinks of them more as a nuisance than anything else while only 9% see them as an invasion of privacy. Attitudes toward telephone solicitations at home are much more negative, with the privacy aspect more widely noted. A 55% majority sees telephone calls as a nuisance while an additional 27% think of them as an invasion of privacy.

Q.5, 6 Table 8

ATTITUDES TOWARD MAIL OFFERS AND TELEPHONE CALLS AT HOME TO SELL PRODUCTS AND SERVICES

Q.: When you receive (mail offers/telephone calls) at your residence to sell you products or services, how do you regard these — primarily as a useful opportunity OR you rarely use the offers, but do not see them as a problem OR primarily as a nuisance OR primarily as an invasion of your privacy? SINGLE RECORD

	Mail Offers	Telephone Calls
Base	*1255*	*1255*
Primarily as useful	6%	1%
Rarely use but do not see problem	38	16
More as a nuisance	46	55
More as invasion of privacy	9	27
None of these/Not sure	2	2

Whether Household Members Have Bought Something From A Mailing

Almost half of all Americans (48%) say that they have bought something by mail order in the previous twelve months. Women are slightly more likely than men to have done this. Those with a college education are somewhat more likely to have made purchases by mail order than are people without a college education, and whites are more likely than blacks, who are in turn more likely than Hispanics to use mail order services.

Q.7 Table 9

PROPORTIONS OF DIFFERENT GROUPS WHICH HAVE BOUGHT BY MAIL ORDER IN PAST YEAR

Q.: In the past year, have you or members of your household bought something from a mailing such as a catalog or brochure that was sent to your residence, or not?

	Base	Household Member Bought Something From A Mailing
Total	*1255*	*48%*
Sex		
Men	621	42%
Women	634	53
Education		
Less than high school	121	42
High school graduate	452	44
Some College	301	55
College Graduate	223	50
Post Graduate	152	57
Race/Ethnicity		
White	1067	50
Black	130	43
Hispanic	58	34

Awareness Of Procedures To Remove Names From Mailing Lists

More than two-fifths of the population (44%) claim that they are aware of procedures to remove names from direct mail lists. Knowledge of this possibility is higher among the college-educated; 60% or more of college graduates know about it. Blacks and Hispanics, on the other hand, are less likely to know about this process than are whites.

Q.8 Table 10

THOSE AWARE OF PROCEDURES TO REMOVE NAME FROM DIRECT MAIL LISTS

Q.: Are you aware of any procedures that allow you to remove your name from direct mail lists for catalogs, products and services, or not?

	Base	Percent Aware of Procedures
Total	*1255*	*44%*
Age		
18-29	299	37%
30-49	481	46
50 and over	463	46
Education		
Less than high school	121	30
High school graduate	452	38
Some college	301	50
College graduate	223	60
Post graduate	152	63
Race/Ethnicity		
White	1067	47
Black	130	29
Hispanic	58	26

Extent To Which Public Wants Names Removed From Mailing Lists

A substantial majority of all groups, and particularly among younger Americans, would like to have their names removed from some but not all lists. About a fifth (22%) of adults would like to have their names removed from all direct mail lists; this rises to 31% among people aged 50 and over.

Q.9 Table 11

WHETHER WANT NAME REMOVED FROM ALL, SOME OR NO MAILING LISTS

Q.: If a procedure were available, would you want to have your name removed from all mailing lists, from just some mailing lists or from no mailing lists?

		AGE		
	Total	18-29	30-49	50 and Over
Base	*1255*	*299*	*481*	*463*
All lists	22%	12%	20%	31%
Some lists	64	71	66	57
No lists	13	16	13	10
Not sure	1	1	1	2

"Opting Out" of Receiving Direct Mail

Reactions to the idea that one could opt out of having one's name passed to other companies for use in direct mail are extremely positive. Only 11% say that this idea is not of any importance to them. A majority (56%) say that this opportunity to opt out would be very important.

Q.10 Table 12

ATTITUDES TOWARD BEING ALLOWED TO OPT OUT OF HAVING NAME PASSED TO OTHER COMPANIES FOR USE IN DIRECT MAIL

Q.: Some businesses pass on the names and addresses of their customers to other businesses who then use them for direct mail. One suggestion is that these businesses should let their customers check a box to say they do not want their names passed on to other companies, i.e. to opt out of receiving direct mail. Which of the following comes closest to your view?

Base	*1255*
It is very important to be able to "opt out"	56%
It is somewhat important to be able to "opt out"	33
It is not important to be able to "opt out"	11
Not sure	1

Denial of Credit

One American in five says that they have been denied credit because of information in their credit reports. The largest proportions who believe that they have been denied credit because of their credit reports are found among people under 40, people without any college education, and among blacks. There is also a correlation between being concerned about consumer privacy and having been denied credit because of information in credit reports.

Q.11 Table 13

PROPORTIONS OF DIFFERENT GROUPS WHO HAVE BEEN DENIED CREDIT BECAUSE OF INFORMATION IN CREDIT REPORT

Q.: In the past two years, have you personally been denied credit you applied for because of information about you contained in a credit report, or not?

	Base	Percent Denied Credit
Total	*1255*	*20%*
Age		
18-24	184	28%
25-29	115	33
30-39	278	28
40-49	203	22
50-64	269	9
65 and over	194	8
Education		
Less than high school	121	22
High school graduate	452	24
Some college	301	20
College graduate	223	18
Post graduate	152	8
Race/Ethnicity		
White	1067	19
Black	130	33
Hispanic	58	18
Concern About Consumer Privacy		
High	612	25
Medium	429	18
Low	231	15

More than three out of five Americans (62%) have a great deal of confidence or some confidence in the reliability of information used by credit grantors to decide whether to approve an application for credit. On the other hand, a sizable 28% have not much or no confidence. Another 8% say they have never applied for credit.

This general pattern of confidence in credit reports is found among all demographic groups. However, the attitudes and perceptions of those who have been denied credit are much more negative; a 58% majority of this group of 230 respondents have not much or no confidence in this information.

Observation:

There is no way to tell from the data whether the much more negative attitudes of those denied credit are a result of their knowledge of inaccuracies or misleading information or whether they are merely resentful that they were denied credit at all.

Q.12 Table 14

CONFIDENCE IN INFORMATION USED TO DECIDE WHETHER TO OFFER CREDIT

Q.: Based on your own recent experience of applying for credit, how much confidence do you have that the information used to decide whether to offer you credit was reliable — a great deal of confidence, some confidence, not much confidence or no confidence at all?

		Those Denied	Age			Education				
	Total	Credit	18-29	30-49	50 & Over	Less than High School	High School Graduate	Some College	College Graduate	Post Graduate
Base	*1255*	*230*	*299*	*481*	*463*	*121*	*452*	*301*	*223*	*152*
Great deal of confidence	24%	13%	26%	19%	27%	26%	23%	21%	24%	25%
Some confidence	38	28	40	43	32	31	39	44	41	38
Not much confidence	16	29	16	20	12	15	16	16	20	17
No confidence at all	12	29	12	14	10	11	14	11	10	9
Never applied	8	1	6	3	15	13	6	8	5	7
Not sure	2	1	*	1	4	3	2	1	1	3

*Less than 0.5%.

Interest In Obtaining Credit Reports

Most Americans say that they are not interested in obtaining complete copies of their credit reports at a reasonable price. However, 16% of all adults say they are very interested, and this represents almost 30 million adults. Those most interested in buying copies of their credit reports are those people who have been denied credit, people under 30, and college graduates.

Q.13 Table 15

INTEREST IN OBTAINING COMPLETE COPY OF CREDIT REPORT AT REASONABLE PRICE

Q.: How interested are you in obtaining a complete copy of your credit report from a credit bureau for a reasonable price — are you very interested, somewhat interested, or not interested?

		Those Denied	Age			Education				
	Total	Credit	18-29	30-49	50 & Over	Less than High School	High School Graduate	Some College	College Graduate	Post Graduate
Base	*1255*	*230*	*299*	*481*	*463*	*121*	*452*	*301*	*223*	*152*
Very interested	16%	27%	24%	16%	9%	12%	15%	17%	16%	23%
Somewhat interested	26	34	34	31	16	21	26	30	26	30
Not interested	58	39	42	53	74	66	58	52	56	47
Not sure	*	*	*	*	*	-	-	1	2	-

*Less than 0.5%.

Willingness To Have Relevant Personal Information Collected And Used

Public attitudes toward having relevant information collected by a credit bureau or consumer reporting agency are mixed. In terms of willingness versus non-willingness, majorities were willing in the cases of auto loans (58%), home mortgages (57%) and credit cards (55%). However, majorities were unwilling in the cases of jobs (52%) and insurance policies (52%).

What is striking about this set of findings is the sizable numbers at both ends of the spectrum, i.e., those people who are very willing and those people who are not at all willing to have the information collected by these agencies. Those very willing were: home mortgage (24%), job (21%), auto loan (21%), credit card (20%) and insurance policy (17%), or about one in five Americans (in four of the five categories). Those not willing at all were home mortgage (29%), job (39%), auto loan (29%), credit card (31%) and insurance policy (38%).

Observation:

Obviously, many people have to provide relevant information when applying for any of these services or for employment. The fact that so many say they are unwilling to have a credit bureau or consumer reporting agency do this suggests that they may be concerned with the accuracy or completeness of the information collected or how it might be interpreted, especially in light of extensive media presentations on those issues in 1990-91.

Q.14 Table 16A

DEMOGRAPHICS ON WILLINGNESS TO HAVE RELEVANT PERSONAL INFORMATION COLLECTED AND USED FOR FIVE PURPOSES

Q.: How willing are you to have relevant information about you collected by a credit bureau or consumer reporting agency and used to determine your eligibility for (READ EACH ITEM) — very willing, somewhat willing, not very willing, or not willing at all?

	Very Willing	Somewhat Willing	Not Very Willing	Not Willing At All	Not Sure
Base: 1255					
A home mortgage	24%	33%	11%	29%	3%
A job	21	24	13	39	3
An auto loan	21	37	11	29	2
A credit card	20	35	12	31	2
An insurance policy	17	29	14	38	2

The answers to this question were used to divide the public into three groups: those with a high, medium or low willingness to have information collected by credit bureaus or consumer reporting agencies. A clear majority falls in the third (low willingness) category. There are remarkably few differences between different sub-groups of the population in terms of their willingness to have information collected by credit bureaus or consumer reporting agencies, whether by age, education or race and ethnicity. However, people under thirty and black and Hispanic Americans are rather more willing to have information collected by credit bureaus or consumer reporting agencies than is the rest of the population.

Q.14 Table 16B

WILLINGNESS TO HAVE RELEVANT PERSONAL INFORMATION COLLECTED AND USED FOR FIVE PURPOSES

(Based on answer to five parts of Q.14)

Q.: How willing are you to have relevant information about you collected by a credit bureau or consumer reporting agency and used to determine your eligibility for (READ EACH ITEM) — very willing, somewhat willing, not very willing, or not willing at all?

		Willingness		
	Total	High	Medium	Low
Base	*1255*	*19%*	*19%*	*62%*
Those denied credit	230	19%	21%	60%
Age				
18-29	299	23	26	52
30-49	481	17	17	66
50 and over	463	17	17	66
Education				
Less than high school	121	19	19	61
High school graduate	452	18	22	60
Some college	301	21	17	63
College graduate	223	17	11	71
Post graduate	152	18	25	57
Race/Ethnicity				
White	1067	18	17	65
Black	130	24	30	46
Hispanic	58	18	27	54

Willingness To Provide Social Security Number to Increase Accuracy of Credit Records

Attitudes toward providing Social Security numbers to increase the accuracy of credit records are, on the whole, somewhat similar to those in the previous question. A 52% majority say they would be at least somewhat willing to do this, compared to 47% who say they would be not very or not at all willing to do so.

People who have been denied credit, people under 40, and college graduates are more likely to feel very comfortable about providing their Social Security numbers than are older people or those without college education. By age, 27% of people 18-29, 21% of people 30-49, and only 16% of people 50 and over are very willing to provide their Social Security number. By education, 29% of people with a post-graduate education, 24% of college graduates, 19% of high school graduates, and only 16% of those with less than a high school education are very willing to provide their Social Security numbers.

Q.15 Table 17

WILLINGNESS TO PROVIDE SOCIAL SECURITY NUMBER TO INCREASE ACCURACY OF CREDIT REPORT

Q.: How willing would you be to supply your Social Security number to a business you dealt with, such as a department store or credit card company, if their having this would increase the accuracy of items in your credit report — very willing, somewhat willing, not very willing, or not willing at all?

	Total	Those Denied Credit	Age 18-29	Age 30-49	Age 50 & Over	Education Less than High School	Education High School Graduate	Education Some College	Education College Graduate	Education Post Graduate
Base	*1255*	*230*	*299*	*481*	*463*	*121*	*452*	*301*	*223*	*152*
Very willing	21%	28%	27%	21%	16%	16%	19%	23%	24%	29%
Somewhat willing	31	34	36	35	24	27	35	31	33	26
Not very willing	15	14	19	16	11	13	13	16	18	17
Not willing at all	32	23	18	28	47	43	31	28	24	25
Not sure	1	1	1	1	3	1	1	2	1	2

CONCLUDING OBSERVATIONS

In summing up, the "1991 Harris-Equifax Consumer Privacy Survey" sheds further light on some of the most important findings of the original 1990 **Equifax Report On Consumers In the Information Age.**

1. The level of concern over threats to privacy remains extremely high. Approximately four-fifths of the American public are at least somewhat concerned about threats to privacy, and approximately half are very concerned. In the future it will be important to continue tracking this key indicator of the public's concern.

2. A larger majority than in 1990 now believe that their privacy rights as a consumer are not adequately protected by law and business practice. At the same time, those who feel this way split almost evenly on approaches to this problem, which involve choices among improved business practices, new legislation or some kind of government committee or board to oversee national privacy rights. As public debate on this problem intensifies, it will be important to find out in future surveys whether one of these alternatives attains the critical mass necessary to represent a majority consumer viewpoint.

3. The 1990 survey described the complex relationship between Americans and direct marketers. It was found that consumers oppose direct marketers being able to buy from listmakers information about their own consumer characteristics when the relationship stresses only advantages to the direct marketers, but approve of their being able to do so when the relationship stresses benefits to both themselves and direct marketers. The current survey reveals another aspect of this complex relationship. Nearly half (48%) of American adults say that in the past year they or a member of their household have purchased something from a mailing that was sent to their residence; however, more than half regard mail offers as either a nuisance (46%) or an invasion of privacy (9%). Clearly, millions of Americans fall into both groups at the same time, believing that a mail offer they want to receive is a benefit while a mail offer they don't want to receive is (primarily) a nuisance. As effective procedures for opting out of unwanted direct mail solicitations become available to a greater portion of public, it will be important to track the effect of such procedures on consumer attitudes toward these solicitations.

4. The current survey reveals that between 40% and 52% of the public is at best not very willing to have even **relevant** information about themselves collected by a credit bureau or consumer reporting agency and used to determine their eligibility for a home mortgage, a job, an auto loan, a credit card or an insurance policy. In addition, 47% of the public is at best not very willing to supply their Social Security number to a business they deal with, such as a department store or a credit card company, even if this would increase the accuracy of their credit report. Future "Harris-Equifax Consumer Privacy Surveys" might explore what safeguards or policies involving credit bureaus or consumer reporting companies might make people more willing to have their relevant information collected by such organizations, and public attitudes toward the ways in which service providers use the information supplied to them for evaluation.

APPENDIX A:
SURVEY METHODOLOGY

SAMPLE DESIGN

Between January 1 and July 8, 1991, 1,255 interviews were conducted with a cross section of Americans eighteen years of age and older. There are 185,105,444 Americans eighteen years of age or older*. Therefore, each 1% of this survey percentage represents approximately 1.85 million adults.

The Louis Harris and Associates, Inc., National Telephone Sample is based on a methodology that is designed to produce representative samples of persons in telephone households in the 48 continental United States. The Harris National Telephone Sample makes use of random-digit selection procedures which assure sample representation of persons in both households which are listed in telephone directories, as well as persons in households which are unlisted in telephone directories.** The sample design is also explicitly designed to assure proper representation of households in central city, suburban, and rural areas within each of the 48 continental states.

The Harris National Telephone Sample is selected by a three-stage, stratified sampling process. The ultimate result of this process is a set of sample selections (phone numbers). In order to assure that the maximum degree of sample control is maintained, the basic sample design has been set up to produce cross-sectional national samples in increments of 500, 1,000, or 1,250 sampling points (i.e., households).

The representativeness of the sample is shown in the following table:

Table A-1

DEMOGRAPHIC COMPOSITION OF THE SAMPLE

	1991		
	Number In Sample	Unweighted Percentage	Weighted Percentage
Total	*1255*	*100*	*100*
Region			
East	305	24	25
Midwest	304	24	24
South	396	32	31
West	250	20	20
Size of Place			
Cities	365	29	29
Rest of Metropolitan Area	590	47	47
Outside of Metropolitan Area	300	24	24
Age			
18-29 years	299	24	35
30-49 years	481	38	39
50 and over	463	37	35
Education			
Less than high school	121	10	20
High school graduate	452	36	37
Some college	301	24	21
College graduate	375	30	21
Race			
White	1067	85	81
Black	130	10	11
Hispanic	58	5	8

(Continued)

Table A-1 Continued

Sex			
Male	621	49	48
Female	634	51	52

*1990 Census data.

** Some households are "unlisted" as the result of a request for an "unlisted" number by the telephone subscriber. Other households are unlisted in the published directory because the telephone number was assigned after the publication date of the directory. Samples that are restricted to directory-listed numbers only may contain serious sample biases because of the exclusion of the various types of unlisted households.

1. Subgroup totals do not always come to 1,255 because of some non-response.

2. East includes: Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, and West Virginia.

   Midwest includes: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.

   South includes: Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, and Virginia.

   West includes: Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

Weighting

All national public cross sections are weighted to the Census Bureau's latest population parameters on region, education, sex, race, and age. This adjusts these key variables, where necessary, to their actual proportions in the population. Only moderate weighting is necessary in Harris samples.

Sampling Error

The results achieved from all sample surveys are subject to sampling error. Sampling error is defined as the difference between the results obtained from the sample and those that would have been obtained had the entire relevant population been surveyed. The size of the sampling error varies both with the size of the sample and with the percentage giving a particular answer. In a sample size of 1,255 interviews, in 95 cases out of 100, the sampling error is 3%.

APPENDIX B:

THE QUESTIONNAIRE

LOUIS HARRIS AND ASSOCIATES, INC.
630 Fifth Avenue
New York, New York 10111

FOR OFFICE USE ONLY:

Questionnaire No.: _____
5 - 6 - 7 - 8

Study No. 912046 (Revised)

Card No. (9)

June 28, 1991

Sample Point No. / / / / / / / / /
10 - 11 - 12 - 13 - 14 - 15 - 16

17Z

Time Started: _____ A.M./P.M.

Interviewer: _____ Date: _____

Area Code: _____ (18-20) Telephone No.: _____ (21-27)

Hello, I'm _____ from the Harris Poll, the national public opinion research firm. We're conducting a study of what Americans think about questions of privacy. I would like to speak with the youngest (male/female/person) adult in this household eighteen or over who is at home now.

FROM OBSERVATION: Respondent Sex

Male .....(28) ____ - 1
Female ..... ____ - 2

---

1. How concerned are you about threats to your personal privacy in America today — very concerned, somewhat concerned, not very concerned, or not concerned at all?

Very concerned .....(29) ____ - 1
Somewhat concerned ..... ____ - 2
Not very concerned ..... ____ - 3
Not concerned at all ..... ____ - 4
Not sure ..... ____ - 5

2. Have you personally ever been the victim of what you felt was an improper invasion of privacy, or not?

Yes, have been .....(30) ____ - 1 (ASK Q.3)
No, have never been .... ____ - 2
Not sure ..... ____ - 3 (SKIP TO Q.4)

3. What type of organization or authority was involved in this invasion of privacy? What others? **DO NOT READ LIST — MULTIPLE RECORD**

Burglary .....(31) ____ - 1
Church .....(32) ____ - 1
Collection agencies .....(33) ____ - 1
Credit bureau .....(34) ____ - 1
Door-to-door sales pitches .....(35) ____ - 1
Employer, place of employment .....(36) ____ - 1
Federal Government .....(37) ____ - 1
Hospital .....(38) ____ - 1
Insurance company .....(39) ____ - 1
Internal Revenue Service (IRS) .....(40) ____ - 1
Invasion of home by various people, neighbors .....(41) ____ - 1
Junk mail, mail order .....(42) ____ - 1
Market research/poll .....(43) ____ - 1
Personal gossip, relatives .....(44) ____ - 1
Police department; police searching without warrants .....(45) ____ - 1
Press/media .....(46) ____ - 1
Salesperson .....(47) ____ - 1
School .....(48) ____ - 1
State Government .....(49) ____ - 1
Telephone company .....(50) ____ - 1
Any other answer .....(51) ____ - 1
Not sure .....(52) ____ - 1

4a. Do you agree or disagree with the following statements? (READ EACH ITEM) Do you agree/disagree very strongly or somewhat strongly?

DO NOT ROTATE

1. Consumers have lost all control over **how** personal information about them is circulated and used by companies.

Agree very strongly .....(53) ____ - 1
Agree somewhat strongly ..... ____ - 2
Disagree very strongly ..... ____ - 3
Disagree somewhat strongly ..... ____ - 4
Neither (vol.)..... ____ - 5
Not sure/not applicable ..... ____ - 6

2. My privacy rights as a consumer in credit reporting are adequately protected today by law and business practices.

Agree very strongly .....(54) ____ - 1
Agree somewhat strongly ..... ____ - 2
Disagree very strongly ..... ____ - 3
Disagree somewhat strongly ..... ____ - 4
Neither (vol.)..... ____ - 5
Not sure/not applicable ..... ____ - 6

Ask Q.4b if "Disagree very strongly" or "Disagree somewhat strongly" in Q.4a-2. Others skip to Q.5.

4.b Which of the following do you feel is the best approach to greater protection? (READ LIST — SINGLE RECORD)

ROTATE — Start at "X"

( ) A new law .....(55) ____ - 1
( ) Improved business practices..... ____ - 2
( ) National privacy requirements by a government overview committee or board..... ____ - 3
None of these (vol.) ..... ____ - 4
Not sure ..... ____ - 5

Ask Everyone

5. When you receive **mail** offers at your residence to sell you products or services, how do you regard these — primarily as a useful opportunity **OR** you rarely use the offers, but do not see them as a problem **OR** primarily as a nuisance **OR** primarily as an invasion of your privacy? **SINGLE RECORD**

More as useful.....(56) ____ - 1
Rarely use but do not see as a problem ..... ____ - 2
More as a nuisance..... ____ - 3
More as an invasion of privacy ..... ____ - 4
None of these/not sure ..... ____ - 5

6. When you receive **telephone** calls at your residence to sell you products or services, how do you regard these — primarily as a useful opportunity **OR** you rarely use the offers, but do not see them as a problem **OR** primarily as a nuisance **OR** primarily as an invasion of your privacy? **SINGLE RECORD**

More as useful.....(57) ____ - 1
Rarely use but do not see as a problem ..... ____ - 2
More as a nuisance..... ____ - 3
More as an invasion of privacy ..... ____ - 4
None of these/not sure ..... ____ - 5

7. In the past year, have you or members of your household bought something from a mailing such as a catalog or brochure that was sent to your residence, or not?

Yes, have bought.....(58) ____ - 1
No, haven't bought ..... ____ - 2
Not sure..... ____ - 3

8. Are you aware of any procedures that allow you to remove your name from direct mail lists for catalogs, products and services, or not?

Aware.....(59) ____ - 1
Not aware ..... ____ - 2
Not sure..... ____ - 3

9. If a procedure were available, would you want to have your name removed from **all** mailing lists, from just **some** mailing lists or from **no** mailing lists?

All lists .....(60) ____ - 1
Some lists ..... ____ - 2
No lists..... ____ - 3
Not sure..... ____ - 4

10. Some businesses pass on the name and addresses of their customers to other businesses who then use them for direct mail. One suggestion is that these businesses should let their customers check a box to say they do not want their names passed on to other companies, i.e., to "opt out" of receiving direct mail. Which of the following comes closest to your view?

ROTATE — Start at "X"

( ) a. It is **very important** to me to be able to "opt out" ....(61) ____ - 1
OR
( ) b. It is **somewhat important** to me to be able to "opt out" .... ____ - 2
OR
( ) c. It is **not important** to me to be able to "opt out" ..... ____ - 3
Not sure..... ____ - 4

11. In the past two years, have you personally been denied credit you applied for because of information about you contained in a credit report, or not?

Have been denied.....(62) ____ - 1
Not denied ..... ____ - 2
Not sure..... ____ - 3

12. Based on your own recent experience of applying for credit, how much confidence do you have that the information used to decide whether to offer you credit was reliable — a great deal of confidence, some confidence, not much confidence or no confidence at all?

Great deal of confidence .....(63) ____ - 1
Some confidence ..... ____ - 2
Not much confidence ..... ____ - 3
No confidence at all ..... ____ - 4
Never applied (vol.) ..... ____ - 5
Not sure ..... ____ - 6

13. How interested are you in obtaining a complete copy of your credit report from a credit bureau for a reasonable price — are you very interested, somewhat interested, or not interested?

Very interested .....(64) ____ - 1
Somewhat interested ..... ____ - 2
Not interested ..... ____ - 3
Not sure ..... ____ - 4

14. How willing are you to have relevant information about you collected by a credit bureau or consumer reporting agency and used to determine your eligibility for (READ EACH ITEM) — very willing, somewhat willing, not very willing, or not willing at all?

ROTATE — Start at "X"

( ) a. An auto loan
Very willing .....(65) ____ - 1
Somewhat willing ..... ____ - 2
Not very willing ..... ____ - 3
Not willing at all ..... ____ - 4
Not sure ..... ____ - 5

( ) b. A credit card
Very willing .....(66) ____ - 1
Somewhat willing ..... ____ - 2
Not very willing ..... ____ - 3
Not willing at all ..... ____ - 4
Not sure ..... ____ - 5

( ) c. A home mortgage
Very willing .....(67) ____ - 1
Somewhat willing ..... ____ - 2
Not very willing ..... ____ - 3
Not willing at all ..... ____ - 4
Not sure ..... ____ - 5

( ) d. A job
Very willing .....(68) ____ - 1
Somewhat willing ..... ____ - 2
Not very willing ..... ____ - 3
Not willing at all ..... ____ - 4
Not sure ..... ____ - 5

( ) e. An insurance policy
Very willing .....(69) ____ - 1
Somewhat willing ..... ____ - 2
Not very willing ..... ____ - 3
Not willing at all ..... ____ - 4
Not sure ..... ____ - 5

15. How willing would you be to supply your Social Security number to a business you dealt with, such as a department store or credit card company, if their having this would increase the accuracy of items in your credit report — very willing, somewhat willing, not very willing, or not willing at all?

Very willing .....(70) ____ - 1
Somewhat willing ..... ____ - 2
Not very willing ..... ____ - 3
Not willing at all ..... ____ - 4
Not sure ..... ____ - 5

F. Demographic Questions

Finally, a few last questions to classify your answers.

F1. How old are you? **If Hesitant, Read List**

18 to 20 .....(71) ____ - 1
21 to 24 ..... ____ - 2
25 to 29 ..... ____ - 3
30 to 34 ..... ____ - 4
35 to 39 ..... ____ - 5
40 to 44 ..... ____ - 6
45 to 49 ..... ____ - 7
50 to 64 ..... ____ - 8
65 to 74 ..... ____ - 9
75 and over ..... ____ - 0
Not sure .....(72) ____ - 1

F2. What is the last year of school you have completed?

Less than high school (grades 1-11) .....(73) ____ - 1
High school graduate (grade 12) ..... ____ - 2
Some college (grades (13-15) ..... ____ - 3
College graduate (grade 16) ..... ____ - 4
Post graduate (grade 17 and over) ..... ____ - 5
Not sure ..... ____ - 6

F3. Are you of Hispanic origin or descent, or not?

Yes, of Hispanic origin .....(74) ____ - 1
No, not of Hispanic origin ..... ____ - 2
Not sure ..... ____ - 3

F4. How would you describe your own personal political philosophy — conservative, moderate, or liberal?

Conservative .....(75) ____ - 1
Moderate ..... ____ - 2
Liberal ..... ____ - 3
Not sure ..... ____ - 4

F5. Do you consider yourself, white, black, Asian, or what?

White .....(76) ____ - 1
Black ..... ____ - 2
Asian or Pacific Islander ..... ____ - 3
American Indian or Alaskan native .... ____ - 4
Not sure ..... ____ - 5

77-80Z

That completes the interview. Thank you very much for your cooperation!

TIME ENDED: _____ A.M./P.M.